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Jorgensen Testimony to Senate Committee on Agriculture, Small Business, and Tourism March 6, 2014

Chairman Moulton, committee members: thank you for holding a public hearing on Assembly Bill 37 and for accepting my testimony today.

Chairman Moulton, I want to especially thank you for your partnership with the Marketing Manufacturers and Keeping Employees – or MMAKE - package of bills. You're the lead on AB 38, and the second on this legislation before us today. I appreciate this focus on job creation and business development.

And, thanks also go to Senator Lassa for the lead she's taken on AB 37 and to Senator Hansen for his co-authorship, as well.

Thank you.

I'm pleased to have the opportunity now to tell you all more about this MMAKE bill.

It's aimed at a goal we share: supporting Wisconsin businesses and Wisconsin workers.

And that goal stems from a real problem.

In 2008, manufacturing accounted for more than 20% of Wisconsin's economy, with nearly \$50 billion in activity. But, the sad fact is – we've lost some of those businesses.

More than 430,000 people in Wisconsin work in manufacturing – and support their families with their salaries. But, more than 160,000 people lost jobs in manufacturing in Wisconsin in the past couple of years.

Many of you know I come from a manufacturing background, having worked the Assembly line at the now-shuttered General Motors plant in Janesville.

I can tell you, many of my former co-workers – now constituents - are still jobless and struggling.

But, you know this.

You know, we have lost far too many manufacturing jobs – and far too much of our manufacturing activity.

We've tried to stop the bleeding. We've taken some steps to boost businesses and workers.

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But, it's clear, we must do more.

We need to think outside the box of tax credits and training programs – and draw from the expertise of people in the field.

That's what we're trying to do with the Marketing Manufacturers and Keeping Employees – or MMAKE bills.

The ideas for these proposals came from a visit I made to a manufacturing plant in Lake Mills, Aztalan Engineering, when I represented that part of the state.

In the most difficult economic environment, Aztalan Engineering is an incredible success story.

Some people complain we don't make anything in the United States anymore, but Aztalan is evidence that's not true.

As I saw on the tour, they've just built a new expansion, doubling its capacity and hiring more workers.

And, when I visited Aztalan, I asked the owner, Jim Brey, and one of his managers, Kirk Kussman, who you'll hear from later - - what can we do to help you? What can we do to see more of this success?

Jim said to me, simply, that Aztalan Engineering and other small and mid-sized manufacturers in Wisconsin could use help marketing their products, building their supply chains.

Jim and his staff have noticed that other states and economic development organizations send representatives to trade shows, to promote products made in their part of the country.

Arizona does it. Kentucky does it. Indiana does it. Michigan does it.

In fact, Michigan's STEP program helped 400 companies expand operations... and make more than \$21 million in export sales.

Wisconsin doesn't help its manufacturers with marketing, we don't even host a trade show and Wisconsin is falling behind.

The Marketing Manufacturers and Keeping Employees legislation would help to fix that.

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Part one of the MMAKE plan - Assembly Bill 37 - is very simple.

It directs the Wisconsin Economic Development Corporation to organize a trade show for manufacturers here in Wisconsin.

This would help businesses create supply chains within the state and hopefully, out-of-state, as well.

The price tag is minimal - just \$100,000 - and the cost can be absorbed by WEDC, as you'll see in the fiscal estimate.

Of course, we also believe that minimal investment will pay for itself time and again, with each new contract signed and with each job created.

I'm very pleased with the bipartisan support this bill enjoys.

It was a process to get the bill to this point. Former State Representative Jeff Stone and I along with Ryan Murray from the WEDC had many meetings to marry our ideas and to flesh out how the MMAKE package could work.

This was the legislative process as it's supposed to be. Both parties, coming together, for a common purpose a worthwhile goal.

Through that effort, Rep. Krug became the lead author of AB 37 and a 13-1 vote in the Assembly Committee on Small Business Development.

And, I'm happy to report, in February of 2013, when the Assembly considered this bill, it was approved with a 92-6 vote.

I hope to have your support, too. Again, thank you.